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Japan

Agricultural Situation

This Week in Japan

2001

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Report Highlights: A summary of events and developments in the United States' largest export market for agricultural, forestry, and fishery products. This week's highlights are:

- BSE Update - MAFF Begins Cow Tagging Program
- FAS Speakers Deliver USDA Food Safety Message
- Japan Continues Last-Minute Negotiations on Safeguards with China
- Seafood Consumption Continues to Slide
- U.S. Rice Receives Over Half of the OMA Tender
- Upcoming Events

Includes PSD changes: No
Includes Trade Matrix: No
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This Week in Japan

An Update of Major News and Events from the Largest U.S. Agricultural Export Market
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■ **BSE Update - MAFF Begins Cow Tagging Program:** This week, as part of its response to the BSE crisis, Japan's Ministry of Agriculture, Forestry and Fisheries (MAFF) implemented a planned program to tag all 4.5 million beef and dairy cows in the country, according to the Nikkei Weekly. Each cow will receive an ear tag with a ten-digit number identifying the cow's birthplace, sex, and breed. The information will be fed into a national data base enabling the Government to track a cow's movement through each level of production and distribution. Previously, MAFF experienced delays in tracking cows thought to have been infected with BSE. MAFF Minister Takebe also announced this week that 12,600 tons of beef will be incinerated. The meat reportedly comes from cows butchered prior to implementation of a national BSE testing program in October. The move is designed to ease consumer's concerns and allay fears that the untested meat would enter the distribution chain, according to the Nikkei Weekly. (AgAffairs Tokyo)

■ **FAS Speakers Deliver USDA Food Safety Message:** ATO/Osaka and AgAffairs/Tokyo staff explained the U.S. food safety system to over 500 representatives of the Osaka City Women's Association, one of the largest consumer associations in Kansai, with 140,000 members. ATO/Osaka described the "farm to table" concept, HACCP, and the collaborative role of Federal agencies. AgAffairs/Tokyo staff explained the U.S. Government assessment process on the safety of foods produced from new technologies, including biotechnology. This event marked the first major initiative to deliver the American food safety message directly to consumers in the region. (ATO/Osaka)

■ **Japan Continues Last-Minute Negotiations on Safeguards with China:** While trade talks "broke down" last week, according to the Nikkei Weekly, last-minute talks continue at senior levels. Japan has proposed that China accept voluntary export restrictions on mushrooms, onions, and igusa rushes in lieu of making the provisional safeguards permanent by the December 21 deadline. While high-level talks continue, a breakthrough is unlikely, Nikkei concludes. (AgAffairs Tokyo)

■ **Seafood Consumption Continues to Slide:** Japanese seafood consumption continues to decline in 2001 due to economic woes. However, concerns over BSE may help boost demand in 2001 and 2002 as consumers seek alternatives to beef. The U.S. remains the largest supplier of seafood to Japan, the world's biggest per-capita seafood consuming country. Please refer to Post's report (JA1107) (AgAffairs Tokyo)

■ **U.S. Rice Receives Over Half of the OMA Tender:** On December 12, MAFF's Food Agency announced it will conduct the 5th Ordinary Minimum Access (OMA) rice tender for 156,000 metric tons and the 4th Simultaneous Buy and Sell (SBS) rice tender for 25,000 metric tons for the Japan Fiscal Year 2001 (April 2001 - March 2002). U.S. rice is 51.4% of the OMA country allocation. (AgAffairs Tokyo)

■ **Upcoming Events:**

December 20-22: Allen Johnson, Ambassador, Chief Agricultural Negotiator, USTR visits Tokyo.

January 14-18: Secretary Clayton Yeutter participates in speaker program on benefits of trade liberalization.

January 25-27: Quint Meeting in Kyoto with participation by Secretary Veneman.